



# FAMILY DEVELOPMENT ACCOUNT TAX CREDIT PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

## PURPOSE

This program promotes self-sufficiency for low-income Missourians through a matched savings program.

## AUTHORIZATION

Sections 208.750 to 208.775, RSMo

## ELIGIBLE AREAS

Statewide

## ELIGIBLE APPLICANTS

A community-based organization formed under Chapter 352, RSMo or any non-profit corporation formed under Chapter 355, RSMo.

## ELIGIBILITY CRITERIA

The Department of Economic Development (DED) issues state tax credits to an eligible taxpayer who donates money to an organization approved to administer a Family Development Account (FDA) project.

Organizations approved to administer a Family Development Account project recruit low-income Missourians to participate in a matched savings program to help pay for:

- Education at an accredited institution of higher learning;
- Job training at an accredited or licensed training program;
- Purchase of a primary residence;
- Major repairs or improvements to a primary residence; or
- Start-up capitalization of a small business.

## PROGRAM BENEFITS/ELIGIBLE USES

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax
- Ch. 147 – Corporate franchise tax
- Ch. 148 –
  - Bank Tax
  - Insurance Premium Tax
  - Other Financial Institution Tax
- Ch. 153 – Express Companies Tax

This credit has no special attributes. It must be applied to tax liability for the year it was earned.

## FUNDING LIMITS

- The total tax credits available for any fiscal year are \$300,000.
- An organization applying for one or two years may request up to \$100,000 in tax credits.
- The tax credit is for 50% of the amount of the contribution, not to exceed \$25,000 (a \$50,000 contribution) per contributor.

## APPLICATION/APPROVAL PROCEDURE

Applications from eligible organizations may be submitted to the FDA program at any time. Applications will be reviewed in the order they are received. Every effort is made to notify organizations of a tax credit award within 60 days from receipt of the application.

## REPORTING REQUIREMENTS

Quarterly reports, final report, final audit for projects using \$25,000 or more in tax credits, and 1099 reporting.

## CONTACT

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